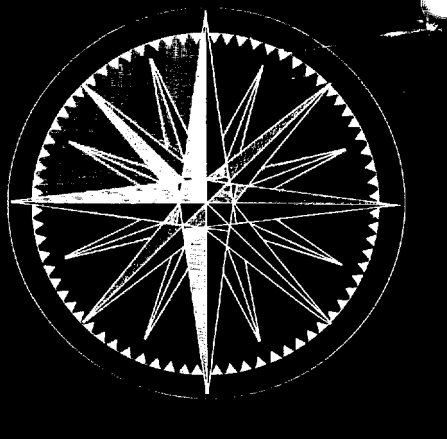


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25 March 1966

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WEEKLY SUMMARY

State Dept. review
completed

DIA review
completed

CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE

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GROUP 1 Excluded from automatic
downgrading and declassification

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C O N T E N T S

(Information as of noon EST, 24 March 1966)

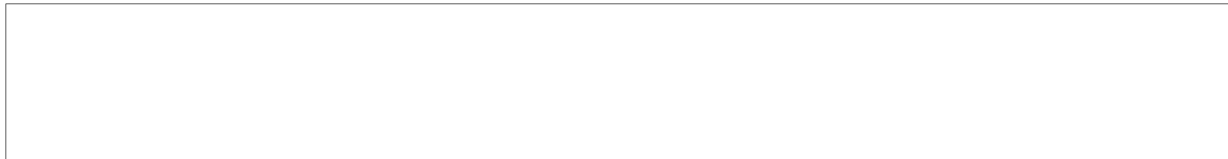
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RHODESIA CONTINUES TO WITHSTAND PRESSURES

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The Rhodesians have surpassed London's estimates in their ability to hold up under sanctions. The country is receiving substantial oil supplies despite the boycott.

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The 14-nation declaration of 18 March presents a picture of solidarity for NATO, but previous negotiations show underlying disagreement on how to deal with De Gaulle's action against the Alliance.

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A French statement hinting at greater willingness to accept British EEC membership may be an attempted diversion from the NATO crisis. British interest is seen as largely a part of the political campaign.

SOCIAL DEMOCRATIC ELECTION VICTORY IN FINLAND

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Sweeping parliamentary gains by the Western-oriented Social Democratic Party are attributed to widespread dissatisfaction with the pro-farm economic policies of previous governments and resentment over Soviet pressures and interference in Finnish domestic affairs.

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Western Hemisphere

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Hopes that the election will be held on 1 June have been encouraged by the absence of terrorism and violence during the last few weeks and by the continued improvement in civil-military relations.

CUBA'S CASTRO FINDS NEW SCAPEGOATS 24
The Cuban dictator's speech on 13 March probably resulted from frustration over unsolved national problems and was an attempt to renew revolutionary fervor.

COLOMBIAN GOVERNMENT PARTY WINS CONGRESSIONAL ELECTIONS 25
The National Transformation Front (FTN) won a majority in the Colombian elections, but the opposition National Popular Alliance made gains. The FTN presidential candidate probably will win but may lack congressional strength.

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By implementing an existing Argentine law designed to limit the role of organized labor in politics, the government may be able to decentralize the Peronist-dominated General Confederation of Labor and limit Peronist income from union dues.

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VIETNAM

After government leaders publicly rejected Buddhist demands last week, the confrontation between the Ky government and the Buddhist leadership intensified, and antigovernment activity in I Corps was resumed on 22 and 23 March.

Following a meeting on 18 March of the ruling military Directorate, a government announcement implicitly rejected various plans for hastening the return of a civilian government which had been discussed earlier with Buddhist leaders. The Buddhists organized a mass meeting of some 10,000 persons in Saigon on 19 March, and although the address of Buddhist Institute Chairman Tam Chau was moderate in tone, he implied that he still expected early government action favorable to the Buddhist demands.

The Buddhist response to Premier Ky's weekend speech in Dalat was considerably stronger. Ky took a very strong stand against recent unrest and, indirectly, against Buddhist demands. A public communiqué was promptly issued by the Buddhists expressing surprise at the premier's attitude, and antigovernment activity in I Corps--which had been relatively subdued for several days--was intensified on 22 March. Student and antigovernment groups in Hue and Da Nang seized municipal radio stations and began broadcasting appeals for a civilian government, and, for the first time, directed criticism at Premier Ky. Public demonstrations and broadcasts

were reported continuing in both Hue and Da Nang on the 23rd. Anti-American overtones appeared for the first time on the 23rd, but there was some effort to distinguish between American political and military roles, with criticism leveled at the former and gratitude expressed for US military help against the Viet Cong.

Premier Ky has subsequently publicly denied that his weekend speech was directed at Buddhist leaders or their stated goals. He also went out of his way to praise Institute chairman Tam Chau, probably in an attempt to drive a wedge between the usually moderate Chau and the more militant Buddhist leader Tri Quang.

Ky and other government officials apparently continue to hope that public agitation will soon lose its momentum. Sustained public protest in defiance of government authority, however, constitutes a crucial dilemma for the government. Should stern measures be ordered against the agitators, there is some danger that government authorities in I Corps would either ignore such orders or be unable to carry them out without provoking greater resistance.

During the week, General Thi--whose dismissal as I Corps commander some two weeks ago touched off the current crisis--has remained in Hue without making any recent public appearances. 25X1
[redacted] he plans to remain in I Corps

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indefinitely, despite repeated orders from the central government directing him to return to Saigon.

Military Developments In South Vietnam

US and South Vietnamese forces conducted several successful operations this week, and enemy activity failed to inflict significant allied losses.

Six South Vietnamese battalions operating in Kien Tuong Province between 20 and 22 March reported killing about 230 Viet Cong. Prisoners, suspects, weapons, and supplies were seized by government troops who sustained only light casualties.

US forces operating in the Viet Cong "War Zone D" stronghold north of Saigon late last week sustained moderate casualties while killing nearly 300 Viet Cong in a severe five-hour battle. Farther north in Thua Thien Province, a seven-hour battle between US marines and an estimated battalion of Viet Cong resulted in some 50 enemy dead. In Quang Ngai Province, US marines and South Vietnamese troops began a search-and-destroy operation north of the provincial capital after an estimated battalion of Viet Cong overran an outpost in the area on 19 March. US marines maintained enemy contact for the next two days, and reported killing more than 300 Viet Cong.

Viet Cong activity also included an attack against a South Vietnamese battalion in Binh Tuy Province on 21 March, and an at-

tack against the airfield at Dalat on the following day. Both assaults were relatively unsuccessful and resulted in only light government casualties.

There are indications that the Viet Cong are making a determined effort to undermine the South Vietnamese Government's renewed rural pacification program. Recent Viet Cong propaganda broadcasts have urged the people to resist all governmental reconstruction efforts in the rural areas.

Over the last year Hanoi has tried to improve a number of its airfields and a recently completed [] shows that they are making good progress. An extensive improvement and construction program has been noted at eight existing airfields, and one and possibly two new fields are being built.

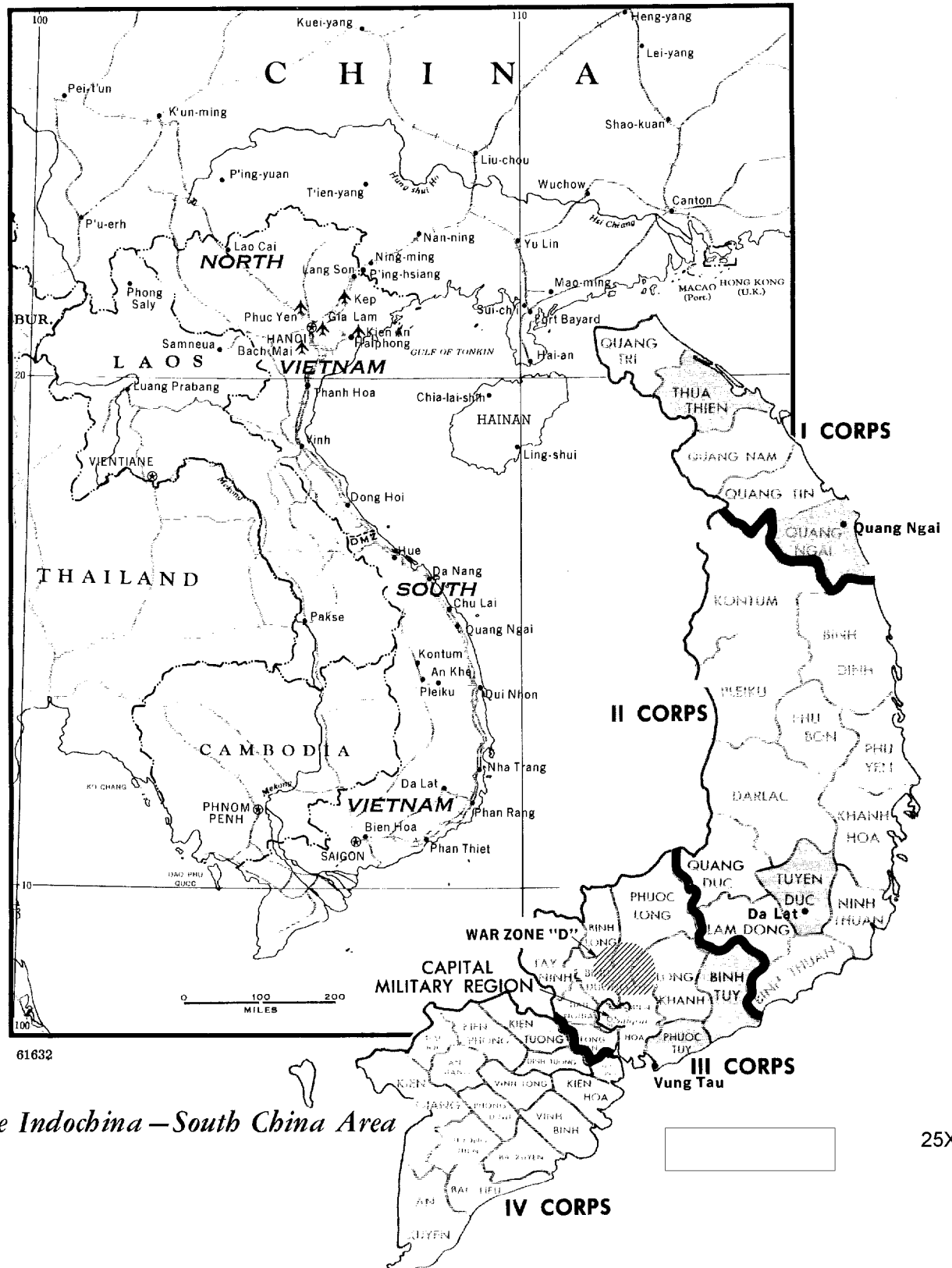
The most significant activity--including major improvements

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The Indochina—South China Area

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to runway capacities--is being conducted at five airfields within the Hanoi-Haiphong defense ring. These include Phuc Yen, Hanoi's Gia Lam and Bac Mai, and Haiphong's Kien An and Kep. Activity at airfields outside the defense ring, apart from the new fields under construction, is confined mostly to the building of aircraft revetments for dispersal purposes.

Infiltration Developments

25X1 A new road linking the Lao-tian infiltration net with a newly constructed road segment in Cambodia [redacted]

25X1 [redacted] The road stretches some 100 miles from the southern extension of Route 66 in Laos to Siem Pang and Route 15 in Cambodia. It parallels the

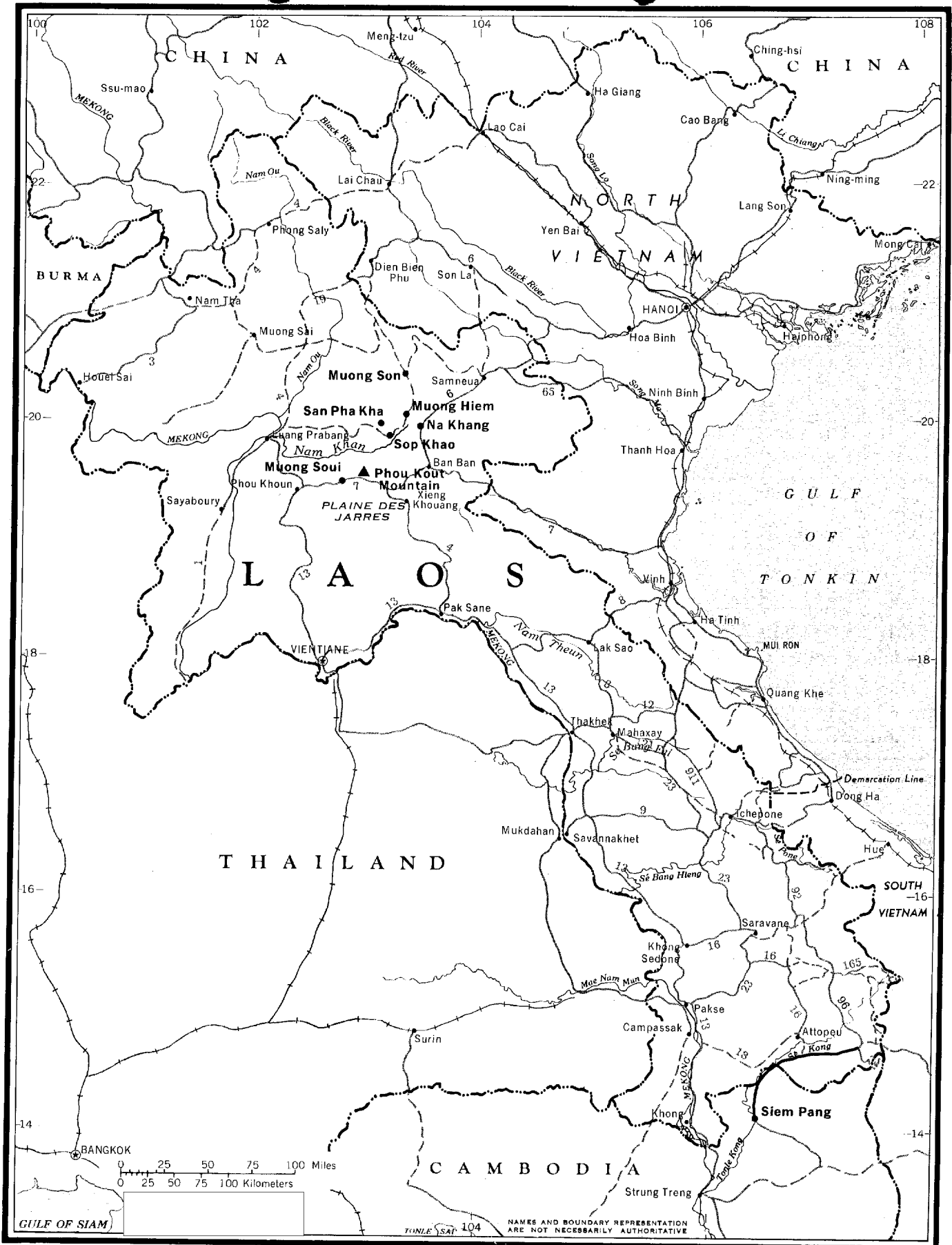
Se Kong River and probably will be used to replace the river as a channel for the movement of supplies.

The Communists have introduced a powerful new cargo truck into their supply operations in the corridor area of eastern Laos. A friendly guerrilla team operating along Route 911 last month photographed a Polish-made Star 66 cargo truck camouflaged and left untended near the road. The Star 66, with a capacity of 5,500-8,000 pounds, is equipped with a six-wheel drive and is well suited for the difficult terrain of eastern Laos. The truck photographed is probably among the first of this type to arrive in the Indo-China area. [redacted]

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COMMUNISTS PRESS OFFENSIVE IN NORTHERN LAOS

The Communists are continuing to press their dry season offensive in northern Laos.

Following the capture in February of the key government position at Na Khang, Pathet Lao and North Vietnamese forces have driven west and established positions on the Nam Khan River. On 13 March they overran the government garrison at Muong Hiem, on the Nam Khan about ten miles northwest of Na Khang. Two days later, the Communists moved downriver to capture a government outpost at Sop Khao.

Some government forces driven from Muong Hiem have regrouped in the Muong Son area, about 20 miles to the north. Other elements have withdrawn to the southwest and are re-forming in the vicinity of San Pha Kha. General Vang Pao, Second Military Region commander, hopes to reorganize his forces in time to block further westward Communist encroachments along the Nam Khan Valley.

Communist forces are stepping up their activity along Route 7 northwest of the Plaine des Jarres. Neutralist elements which had only recently occupied positions in the Phou Kout area have been forced to pull back following determined Communist

counterattacks on 16 and 17 March.

In the Muong Soui area, a few miles to the west of Phou Kout, progovernment neutralist forces are preparing for an expected Communist move against their headquarters. The government commander in Muong Soui has estimated he has only two "real battalions" to defend the village. The US Army attaché in Vientiane characterizes the Muong Soui garrison's morale as "fair at best" in the face of the continuing Communist threat.

On the political scene, the USSR is seeking to induce Premier Souvanna to withdraw his support from US military operations in Laos. In a letter to him on 10 March Premier Kosygin protested continued US air operations over Laos and warned that the introduction of US ground troops would "transform your country into a theater for devastating military operations."

The letter appears designed to soften up Souvanna prior to his visit, along with King Savang, to Moscow in mid-May. The USSR may seek to use the visit for talks between Souvanna and the Pathet Lao leader Prince Souphanouvong.

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(A map of Laos appears on the preceding page)

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The Communist World

THE QUESTION OF STALIN AT THE 23RD PARTY CONGRESS

The 23rd Soviet Party Congress which opens next week (see Special Report) is expected to be offered some new formulation on Stalin recognizing his "achievements" as well as his "faults." Such a formulation would strengthen the hand of conservative elements in the Soviet Union and would consolidate their efforts over the past year to restore some respectability to Stalinist policies and doctrines condemned under Khrushchev.

In Eastern Europe such an action would probably disturb the delicate political adjustments and policy compromises which the regimes there have achieved since Stalin's death. Most East European party leaders thus have no wish to see the Stalin issue revived, and several of the countries are already showing concern about Soviet intentions.

Under the guise of correcting the "excesses" of Khrushchev's de-Stalinization campaign, some lower level Soviet party officials have demanded first that the campaign be halted and, in recent months, that it be reversed piecemeal. Few countervailing voices have been heard recently in public in the USSR. References to Stalin's policy errors and his "unjust repressions" were sharply cut back last spring and finally disappeared in the fall. In recent weeks, phrases such as "cosmopolitanism," "class enemies," and "enemies of the people" which carry echoes of the Stalin era have begun to crop

up in the Soviet press for the first time since 1956.

Alarmed by these developments and by the trial last month of Andrey Sinyavsky and Yuli Daniel--the first such trial since Stalin's death--25 leading Soviet intellectuals have reportedly sent Brezhnev an "urgent warning" against any effort to rehabilitate Stalin. Intellectuals in Hungary, Poland, and Czechoslovakia have also expressed warnings symptomatic of the opposition the Soviet leaders could anticipate in Eastern Europe.

The Soviet intellectuals reportedly warned that the Soviet people would never understand or accept "even a partial deviation" from the condemnation of the Stalin years. They also warned that such a step would lead to a new split between the Soviet party and Western Communist parties which would see it as a capitulation to the Chinese. The Chinese seem to have ensured that this would be so by heaping praise on Stalin in their letter rejecting an invitation to the Congress and may thus have given the Soviet leaders an additional reason for caution.

No information is available on the Soviet leadership's reaction to these warnings. Khrushchev's successors have shown their distaste for the spectacular or sensational, and their intention, at any rate, will no doubt be to treat the Stalin issue in moderate terms at the congress.

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POLISH CHURCH AND STATE MOVE TOWARD TRUCE

The Polish regime appears to have decided on a truce with the Roman Catholic Church after three months of polemics centering on the episcopate's letter of last November to the German Catholic hierarchy.

The publication in the party daily on 17 March of an official conciliatory editorial alongside a pastoral letter from Cardinal Wyszynski suggests that both sides wish to allay the increasingly dangerous tensions that have arisen in connection with preparations for the celebrations of the millennium of Christianity in Poland this year.

The editorial cautiously lauded Wyszynski's pastoral letter for its "clarifications" of the November initiative. It nevertheless again criticized church interference in foreign policy, and termed the pastoral letter as still full of "inadequacies." The editorial "wondered," for instance, whether the episcopate

would now officially address similar "clarification to the German hierarchy.

In taking these steps, neither side appears to have compromised principle or abandoned its basic positions set forth during the past three months. The regime may now feel that the church understands the limits beyond which it must not go without bringing new curbs on its plans for the millennial celebrations. The cardinal's silence on the church-state issue in his sermons on 20 March suggests that he will continue to dampen the controversy.

It still remains unclear, however, whether the regime will rescind its travel ban of 9 January on Wyszynski, and cease personal attacks on him, permit a papal visit to Poland this May, or allow significant numbers of foreign Roman Catholic prelates to attend the millennium observances.

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HUNGARIAN REGIME MAY RELAX POLITICAL CONTROLS

Limited political concessions may be effected soon by the Kadar regime despite opposition by the majority of party conservatives. The regime's object is to allay the public's dissatisfaction and its fears about economic reforms currently being planned.

Hungarian leaders have become increasingly concerned over the popular discontent generated by an abrupt announcement in mid-December of numerous price increases for consumer goods. This discontent has been temporarily calmed, but the regime fears that rumors about additional austerity measures not yet made public may precipitate further unrest unless some political reforms are also announced.

On 20 March, party cadre chief Bela Biszku said that the party central committee has recently debated granting greater responsibilities--at the expense of the party--to Parliament and other government organs, both at the national and local levels. He implied that such changes would complement planned economic reforms. A reform of the electoral system, which would permit several candidates to

stand for a single national office, has also received favorable comment for the first time from a number of high party officials, some of whom formerly opposed this concept.

Moreover, an authoritative commentary in the Patriotic People's Front daily noted recently that economic reform could only be successful through a "significant increase" in the responsibilities of political and social organizations. Such changes, if they occur, would be a major setback for ideologically conservative and Stalinist elements in the party who have long advocated tightening party controls at all levels.

There are indications that some party conservatives may be prepared to accept at least certain aspects of the political and economic reforms. On 19 February, the presidium of the National Trade Unions Council--usually a bulwark of conservatism--officially endorsed liberal economic proposals and expressed opposition to reducing or holding down the standard of living as part of the economic reform.

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YUGOSLAV PLENUM ENDORSES ECONOMIC REFORMS

The recently concluded Third Plenum of the Yugoslav party central committee reaffirmed the party's commitment to the liberal economic reforms the regime announced last year, although strong opposition to them persists.

The plenum resolution restated the far-reaching objectives of the reforms and strongly endorsed them. The principal goals include curtailment of investment, increased personal consumption, strengthening of self-management at the enterprise level, liberalization of foreign trade, and the unfreezing of imports and prices.

Both the plenum resolution, and Tito in a speech to the gathering, stressed that the process of working out the reforms will be lengthy and difficult. No dates for accomplishment of specific goals were set. Although certain basic features are to be put into effect "as soon as possible," full implementation will take several years.

Opposition to the reforms comes from many segments of Yugoslav society. Some ideologically conservative party members believe that excessive liberalization has caused the present problems and that a return to greater central economic control is necessary. Some of the less capable middle-level party functionaries fear that their job security is threatened by the reforms.

Other opposition stems from nationalism within the Yugoslav

republics, which was severely criticized in Tito's speech and the plenum resolution. Officials of republics and communes have applied pressure to obtain special advantages for enterprises in their areas which have been adversely affected by some reform provisions, especially by restrictions on investments and ceilings on imports and prices.

Numerous attacks on opponents of the reform took place at the plenum, and removal of both recalcitrant and incompetent party members from responsible posts was called for. Some Western press reports have indicated that a purge may be in the offing, but it is more likely that opponents will be rotated in their jobs or removed in the regularly scheduled 1967 elections. Such important opponents of the reform as Finance Minister Kiro Gligorov, president of Serbia's Executive Council Dragi Stamenkovic, and president of the Croatian Republic Assembly Ivan Krajacic, however, apparently soon will be removed from their positions.

Such removals may generate additional opposition to the reform, whose fate, after eight months, is still far from clear. This uncertainty results not only from the existence of political opposition but even more from the many problems of freeing the market in an economy plagued by inflation.

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Asia-Africa

ARMY GAINS FIRM CONTROL IN INDONESIA

The Indonesian Army has gained firm control in Djakarta and is forming a new and more moderate government.

Following the arrest of pro-Communist cabinet ministers on 18 March, army commander Suharto announced a reshuffled cabinet. Subandrio, the key figure under President Sukarno, was replaced as head of the cabinet presidium by the Sultan of Jogjakarta and as foreign minister by veteran diplomat Adam Malik. Both have cooperated with the army since last October.

The triumvirate of General Suharto, the Sultan, and Malik apparently will remain at the head of a new government which will be announced soon. The cabinet probably will be reduced from its present 100 ministers to about 25.

Student and Moslem organizations are trying to influence the selection of new ministers. So far they are having no visible success. Some Moslems are unhappy that none of the three

leaders is close to Moslem political organizations. However, there are not yet any indications of serious dissension among the non-Communist groups.

The army's civilian advisers claim that Indonesia will return to its earlier foreign policy of "positive neutrality." Although this will still emphasize anticolonialism and opposition to power blocs, the virulent anti-Westernism pursued by Sukarno and Subandrio will be dropped.

Sukarno returned to Djakarta from his palace at Bogor on 21 March and has met with army and civilian leaders several times. He will probably continue maneuvering to regain at least the appearance of political initiative, but his assets have been greatly reduced, and his efforts are unlikely to be effective. Army leaders have continued to treat Sukarno with circumspection and still are emphasizing that he remains chief of state and that their actions are in accordance with his wishes.

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MAKARIOS-GRIVAS FEUD ADDS TO CYPRUS PROBLEM

The long-standing struggle for control of the Cypriot armed forces is complicating relations between President Makarios and the Greek Government.

The position of General George Grivas, the commander of both Greek and Greek Cypriot forces on the island, is the focal point of the controversy.

public statements by Grivas that he "takes orders only from Athens," later confirmed by the Greek Government, sparked a vigorous protest from Makarios, who has long been at odds with Grivas.

Makarios' latest ploy has been to attempt to hire a former

chief of the Greek General Staff to command the national guard, thereby undermining Grivas' position. This proposal has the approval of the palace in Athens but has aroused the ire of Grivas' supporters in Greek Government circles. The situation could result in a final showdown between Makarios and Grivas. A failure to compromise could have ill effects on the already beleaguered Stephanopoulos government in Athens.

The semiannual rotation of a portion of the Turkish Army contingent on Cyprus is now scheduled for 29 March. Nicosia has approved the rotation, but last-minute haggling over some details could occur. Turkish ship and troop movements which normally accompany the rotation are now under way. The UN Security Council meanwhile has unanimously approved another extension of the UN force in Cyprus--this time to 26 June.

YEMEN DEADLOCK CONTINUES

President Nasir and King Faysal still appear to be trying to avoid a renewal of the civil war in Yemen, but fiercer propaganda barrages evidently are in prospect, and the truce could well be broken by independent tribal fighting.

Neither seems willing to make the one large concession which would make a settlement possible.

Nasir has once again tried to pressure Faysal into agreeing to his terms.

Nasir publicly indicated on 22 March that the Jidda Agreement had failed. In this speech, Nasir threatened once again to stay in Yemen 20 years rather than submit to Faysal.

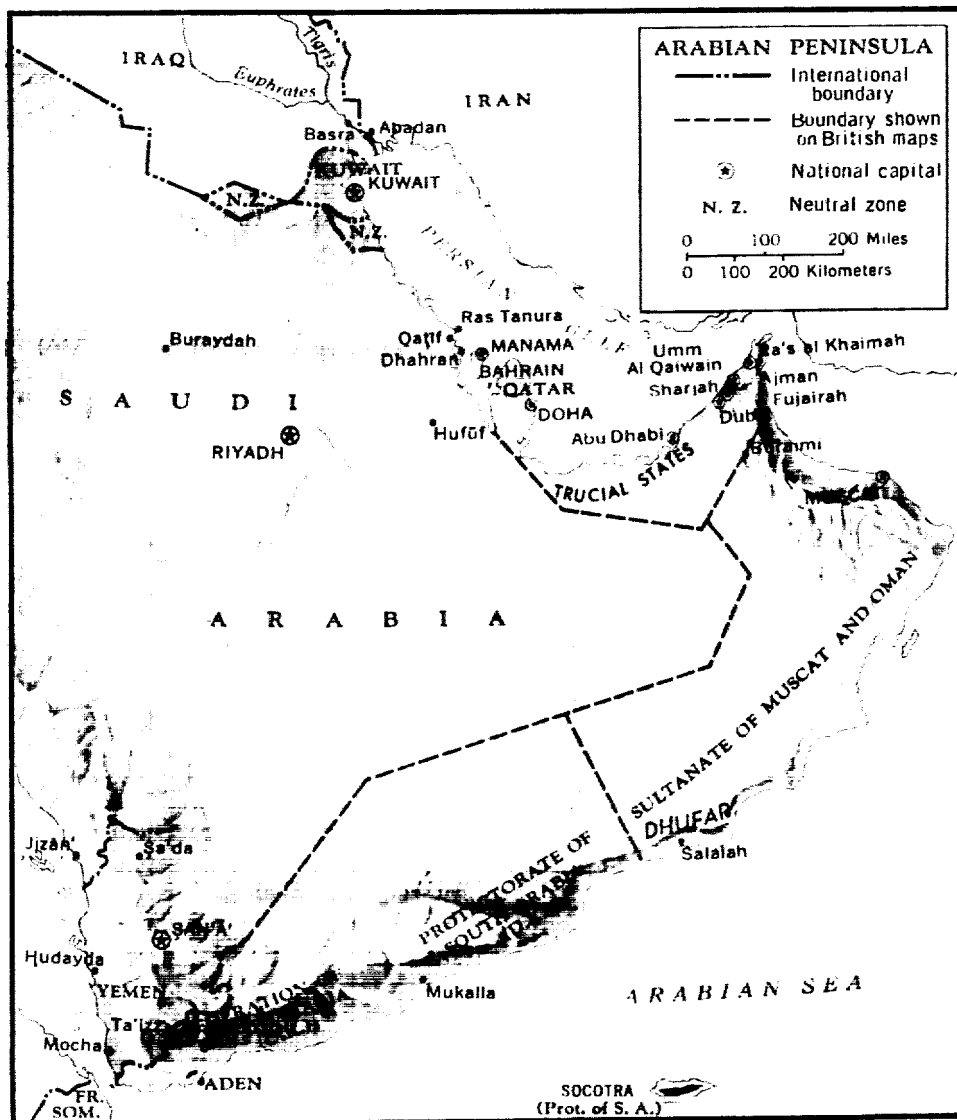
In Yemen itself, Egyptian troops are pulling back from

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their outposts in the north and east into a central defensive position. This is in line with Nasir's stated new long-range policy of reducing the cost of Yemeni operations in both money and troops.

Despite their essentially defensive measures, both Nasir and Faysal are evidently wearying of the problem. This leaves the activities of the Yemeni tribes, with their appetite for guns and gold, as the main threat to continuation of at least a nominal truce.



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WEST AFRICAN TENSIONS HIGH IN WAKE OF NKRUMAH OUSTER

External repercussions from the overthrow of Ghanaian President Nkrumah on 24 February have produced a high-level of agitation among neighboring West African governments. In particular, Nkrumah's presence in Guinea appears to have touched off a major war scare.

Tensions have been building up in the area since Guinean President Touré's melodramatic welcome of Nkrumah to Conakry on 2 March. Subsequently Touré added fuel by venting aggressive-sounding exhortations to his people to resist "imperialist" plots and by permitting Nkrumah to use Guinea's radio to proclaim his intention to return to power in Ghana.

These moves were probably intended mainly as a psychological prop for Nkrumah and a rallying point for Touré's own increasingly restless populace. However, Touré's posture was readily interpreted elsewhere as a threat of military action--possibly with Soviet support--against the new regime in Accra. The rumor mills have received extra stimulation from the French press service.

The principal confrontation has occurred between Guinea and conservative Ivory Coast, which physically separates Ghana and Guinea and which also is currently troubled by significant internal dissatisfactions.

During the past year Ivorian President Houphouet-Boigny had

periodically engaged in polemics with Touré, and apparently seized the occasion of the Ghanaian coup to take the initiative in his long-standing quarrel with Touré and the other radicals.

On 16 March Houphouet-Boigny announced that Ivorian troops were moving up to the Guinean border to halt an impending invasion of Ghana through his country. Although the possibility remains that either a planned or unintentional provocation could cause a serious incident, the Ivorian military maneuvers seem designed primarily to bolster low domestic morale and to impress Ivory Coast's allies. Houphouet-Boigny has publicly pointed to the defense accord under which France is committed to aid Ivory Coast if it is attacked, and he apparently has exchanged pledges of mutual support both with the new regime in Ghana and his usual coterie of Upper Volta, Niger, Togo, and Dahomey.

There is no evidence that Guinea has recently moved troops or military equipment to the Ivory Coast frontier. Any large-scale attack would exceed the capabilities of the Guinean Army.

Diplomatic overtures by Nkrumah and by Touré on Nkrumah's behalf to several West African leaders have merely emphasized the two radicals' present isolation. Even Malian President Keita, whom Touré and Nkrumah visited on 7 March, made no

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promises to revivify their former alliance, and another Malian spokesman has indicated that Bamako will probably resume normal dealings with Ghana when the situation there stabilizes. Nevertheless, Ivory Coast and Upper Volta have closed their borders with Mali as a precautionary measure.

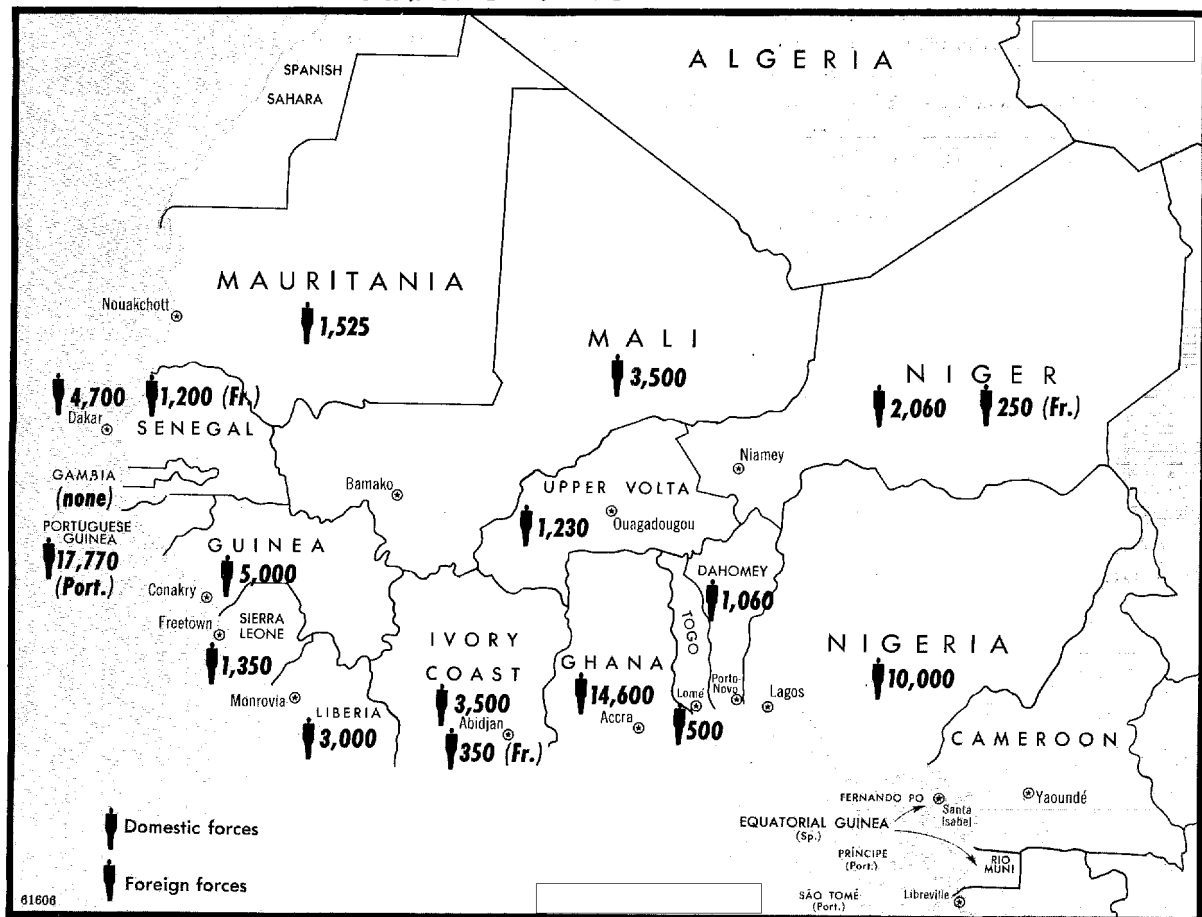
Liberia has joined in the general alert. However, President Tubman, who has the confidence of both sides, has established contacts with Toure in an attempt to restore calm.

If border clashes between Guinean police and Ivorian soldiers can be avoided, there is some likelihood that Tubman's mediation can be effective once both Toure and Houphouet-Boigny have reaped the domestic political benefits of the alert.

A damping down of the current war scare would, however, probably leave untouched the prospect of stepped up subversive activity in West Africa. One way or another, Ghana, Guinea, and Ivory Coast all seem likely to be prominently involved.

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WEST AFRICA: ARMY STRENGTHS



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RHODESIA CONTINUES TO WITHSTAND PRESSURES

The Smith regime is apparently continuing to withstand British-inspired sanctions much better than London expected. According to the US consul in Salisbury, unemployment, although gradually increasing, is far below earlier British predictions. Commercial transactions are going forward despite inconveniences caused by the sanctions, and no essential economic activities have been curtailed.

25X1 Moreover, Rhodesia recently has had substantial success in circumventing the oil boycott. [redacted] more than half of Rhodesia's current consumption is entering the country by railroad and truck across the South African and Mozambique borders.

There is optimism in Rhodesia that the economy will receive a substantial boost in coming months from the anticipated sale of a large part of the tobacco crop. The Smith government believes that if the rebel regime can hold out past this summer, the sanctions will be increasingly

ignored by business interests in other countries.

The apparent success of Rhodesia in withstanding the sanctions so far has contributed to the continued overwhelming support of Rhodesian whites for the rebel regime. The US consul in Salisbury notes an apparent willingness of whites to accept hardships if victory is in prospect, and an increasing determination to fight if Britain should opt for military intervention. White opposition to the Smith regime remains small, disorganized and uncoordinated, and almost no African dissidence is evident.

Zambia continues reluctant to involve itself more deeply in Britain's sanctions program without a prior guarantee that the risk would not be great. Pressures from the OAU and African Zambians for more militant action are abating. The latter apparently are now focusing their concern on replacing white expatriates in government and industry positions. [redacted]

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Europe

NATO MEMBERS ISSUE DECLARATION OF SUPPORT

The 14-power declaration issued on 18 March by all the NATO allies except France presented a general picture of solidarity. The negotiations leading up to the statement made clear, however, that disagreement exists on how to deal with De Gaulle's action against the Alliance. There was a general desire to avoid a sharp confrontation with the French and to leave the way open for the eventual return of France to full NATO status.

The US permanent representative views the declaration as providing a general framework of unanimity within which each country can make slightly differing detailed responses to the French aides memoire of 11 March. He believes the negotiations were valuable in bringing sober reflection by some members on what their future would be without NATO. The way in which the Scandinavians, Canada, and Italy supported the declaration after debates within their respective cabinets he views as a "good omen."

A major problem now facing the 14 allies is to decide on the means of coordinating action on the problems raised by the French. The Germans believe that certain issues such as the future of French troops in Germany can best, perhaps only, be dealt with by those who are most directly involved and are willing to take action. Many issues, they think, should first be discussed among the US, UK, and Germany, later adding other countries as the need arises. The Italian Government is proposing that most problems initially be discussed by

the 14 at NATO headquarters in Paris. The fear of an enhanced German position in the Alliance indicates this may become a divisive issue.

Bonn's insistence on maintenance of an integrated alliance and American presence in Europe has received firm backing by all three major West German parties and the press. There is considerable sentiment, however, in favor of keeping France linked to NATO as closely as possible.

Italian officials are concerned that the loss of French territory and airspace to the Alliance will cut Italy off from the major NATO forces. Thus, the Italians can be expected to press for maximum peacetime transit rights through France and maximum French cooperation in wartime.

French officials have stated that no specific timetable for action in regard to NATO or US facilities has been finally approved by De Gaulle. The Foreign Ministry, however, has recommended to the Elysee that SHAPE, AFCENT, and the NATO Defense College be out of France by March 1967. With respect to US installations, both the Foreign Ministry and the French military have recommended that US installations be removed in 1969.

French officials have indicated, however, that the timing of French moves against US and NATO bases may be stepped up if France's partners are unwilling to take the initiative in opening bilateral negotiations.

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BRITAIN AND THE COMMON MARKET

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The interest aroused in Europe by statements last week about eventual British participation in the EEC has again highlighted the key importance of the UK's role both to the community and to the future of NATO.

In a press conference following a meeting of the seven-nation Western European Union (WEU), British Foreign Secretary Stewart said the French representative had indicated France now believes it "desirable" for the UK to be a member of the EEC. French officials have subsequently denied any change in Paris' position that a British decision to join "without reserve" would be welcome.

Most European observers remain skeptical that the French intend to ease Britain's entry into the EEC. They believe rather that Paris probably wishes to detract from French isolation in the NATO crisis. On the other hand, Stewart's eager response is attributed to a desire to undercut the Conservatives' pro-European electioneering stance.

In Britain the question of EEC membership has been one of the few foreign issues to generate election interest. British reaction illustrates the growing attraction to the idea of joining the EEC, but

also points up the ambiguities in much British thinking about Europe.

ism. Despite differences among themselves about the nature of "Europe" and what effect British membership would have on the UK's overseas commitments, they unite in charging Prime Minister Wilson with missing Britain's real chance for influence within Europe by subservience to the US.

Wilson replies that Labor, too, wants to join the EEC, but would not rush in without making provisions for Britain's national interests. He also declares himself opposed to supranationality--raising the question whether the Europe he wants to join is that of the Rome Treaty or that of De Gaulle's Europe of Nations.

Both political parties probably feel that, with a change in French attitude still unlikely, they can afford to be pro-European in principle without having to work out a coherent policy. Nevertheless, the fact the issue is being debated indicates and helps sustain an evolution in public opinion. Should a genuine opportunity to reopen negotiations arise, neither party would now be able to turn it down.

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SOCIAL DEMOCRATIC ELECTION VICTORY IN FINLAND

The sweeping gains made by Finland's Social Democratic Party (SDP) in the 20-21 March parliamentary elections mark the return of this strongly anti-Communist party to a position of decisive influence.

The SDP picked up 18 seats for a total of 56 and emerged as the single largest party in the 200-member parliament. Perhaps the most important factor in the SDP victory was dissatisfaction with the profarm economic policies of the succession of cabinets dominated in recent years by President Kekkonen's Center (Agrarian) Party.

The magnitude of its victory, however, suggests that the SDP also served as a rallying point for many voters who wished to express resentment of Soviet pressures and interference in Finland's domestic affairs. During the past eight years Kekkonen and the Soviets have made common cause to block SDP participation in the government, claiming that SDP leaders do not support Finland's official policy of friendship and cooperation with the Soviet Union.

Moscow's hands-off attitude during the election campaign suggests that the Soviets may be prepared to accept an enhanced role for the Social Democrats. This would not imply acceptance of certain Social Democratic

leaders who are still suspect in Moscow's eyes, but it would be a necessary first step toward its goal of encouraging cooperation between the Communist and Socialist parties.

The Social Democrats will have the first chance to try to form the postelection government. Their initial effort at coalition is expected to be directed to the Center Party, which has 49 seats in parliament. Up to 1958 the Center and the Social Democrats formed the nucleus of almost every postwar government. Difficult negotiations lie ahead, however, in view of the strained relations between the leaders of the two parties and the need to reconcile divergent interests of labor and the farmers which the parties represent.

Noting the clear majority the so-called "leftist" parties now have in parliament, the Communists are reviving earlier proposals for cabinet cooperation between themselves and the SDP. During the election campaign several prominent Social Democrats also speculated about this possibility, but such collaboration appears to be ruled out by the long history of hostility between Communists and the SDP and the likelihood of a deep rift in SDP ranks if such a move were to be seriously considered.

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Western Hemisphere

DOMINICAN ELECTION CAMPAIGN UNDER WAY

The Dominican election campaign is under way, but on a relatively low key because Bosch's Dominican Revolutionary Party (PRD) has not formally entered the contest. Hopes that the election will be held on 1 June have been encouraged by the absence of terrorism and violence during the last few weeks, by the continued improvement in civil-military relations, and by the military's efforts to eliminate disgruntled right-wing elements from its ranks.

Bosch continues to threaten to boycott the elections, although in an 18 March speech he sounded a more optimistic note about PRD participation by calling for a national convention on 9-10 April to determine if the party will put up candidates. Two days earlier, Bosch had told Ambassadors Bunker and Bennett that terrorism might preclude scheduling the convention, but his conversation with the US diplomats seems to have buoyed the PRD leader's hopes that elections can be held.

Bosch's own participation is far from assured and he is almost certain to keep open a line of withdrawal up to the end of the campaign--much as he did in 1962. He probably hopes by his boycott threats to extract from the provisional regime and the OAS guarantees of security during the campaign and protection for any government he may head. His final decision on whether to run will be based on his best judgment of whether he can

win and then remain in office. Bosch is under strong pressure from PRD politicians to run and risks losing influence in the party and over the "constitutionalist" camp if he stays on the sidelines.

Balaguer has continued his campaign, concentrating on interior areas where his peasant strength is located. Balaguer seems to have been stung by revived charges linking him to the brutality and repression of the Trujillo regime--in which he served as figurehead president--and has been criticized for the presence of unsavory Trujillistas in his entourage. At this juncture it is difficult to assess the effectiveness of such charges. Many Dominicans have come to look on Trujillo's rule as a period of peace and stability, but Balaguer's opponents are sure to continue to stress his tacit acceptance of the dictator's tactics. In a 19 March speech, Balaguer vigorously denied complicity in the excesses of the Trujillo regime but stressed the order that had attended it.

Balaguer has expressed concern over the way voters are being registered. He fears that strong "constitutionalist" influence in the registration offices and the difficulty of registering may disenfranchise many peasants--his core of support. Garcia Godoy has reportedly admitted the validity of these charges but is reluctant to interfere in the mechanics of voting.

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CUBA'S CASTRO FINDS NEW SCAPEGOATS

Castro's address of 13 March revealed his deep frustration over Cuba's unsolved economic and administrative problems and seemed designed to rekindle revolutionary dynamism. The Cuban leader hurled new insults at Peking and for the first time attacked President Eduardo Frei of Chile. He also announced that he planned to dismiss a number of "playboys" and "dilettantes" from the regime.

It is unlikely that Castro's contemptuous criticism of the Chinese leadership foreshadows a break in relations with Peking at this time. He will probably confine himself to baiting the Chinese, perhaps by demanding a reduction in their 50-man embassy staff in Havana and by harassing other Chinese representatives in Cuba.

Castro denounced President Frei and his Christian Democratic Party, and said that "in Chile the only way to win the revolutionary struggle will be by armed struggle." In the past Castro had hoped to break out of his diplomatic isolation in the hemisphere by encouraging better relations with Chile. His criticism of Frei on 13 March and a subsequent attack, however, suggest that the Cuban leader is losing interest in coexistence and compromise in the hemisphere. The attacks reflect the same militancy he displayed at the recent Tri-Continent Conference in Havana.

Since coming to power in 1959 Castro has persistently

tried to end the vice and corruption which were typical of some segments of Cuban society. For more than a year, he has sponsored young and presumably more efficient technicians in high government posts and has removed many of his veteran colleagues of the revolution. His promised "purge" of dilettantes appears to be an intensification of these policies as well as a result of his continuing need to restore revolutionary fervor and to find scapegoats for the regime's failures.

The 7-11 March show trial of Major Rolando Cubela for plotting to assassinate Castro takes its place in the current picture as a lesson to dilettantes in the regime and as a warning to other antiregime plotters.

Armed forces vice minister and central committee member Efigenio Ameijeiras--a drunkard and a marijuana user long in disfavor with the regime--was dismissed on 17 March.

Castro himself said that the Ministries of Foreign Trade and Foreign Affairs would be affected, and press reports of 23 March indicate that the son of Foreign Minister Raul Roa had been dismissed from his post in the Foreign Trade Ministry.

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COLOMBIAN GOVERNMENT PARTY WINS CONGRESSIONAL ELECTIONS

The government's National Transformation Front (FTN) won a majority in Congress in last Sunday's election. Other significant results were the gains of ex-dictator Gustavo Rojas Pinilla's National Popular Alliance (ANP) and the severe losses of the opposition Lauro-Alzatista Conservatives and Liberal Revolutionary Movement (MRL).

Less than half of Colombia's 6.7 million voters went to the polls. Unless many more vote in the 1 May presidential elections, the next president will be in a weak position in dealing with Congress.

Carlos Lleras Restrepo, the FTN's presidential candidate, should have little difficulty overcoming whomever the opposition runs against him. However, the lack of the two-thirds congressional majority required for most important legislation and

the expected vociferous opposition of the ANP representatives will make running the country more difficult and may force the president to resort to rule by decree, as President Valencia has been doing since last May.

The opposition is expected to pick a presidential candidate in the next few days. His selection will probably entail considerable political maneuvering, but in the end he will probably be Rojas Pinilla's choice.

The Lauro-Alzatistas are in disarray and may see it to their advantage to withdraw from the opposition and rejoin the FTN. The exact alignment of forces in Congress is still not known, but the Lauro-Alzatistas may control enough votes that such a shift would give the incoming government a two-thirds majority.

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ARGENTINE GOVERNMENT MOVES TO WEAKEN PERONIST MOVEMENT

The Argentine Government has taken a significant step against Peronism by decreeing that the Law of Professional Associations passed under the Frondizi administration will be implemented. This law is designed to limit the role of organized labor in politics. It would decentralize the Peronist-dominated General Confederation of Labor and limit the income the Peronist movement now gets from union dues. The Illia government has acted at this time to take advantage of widening disagreements in the movement.

Peronism has continued a dominant factor in Argentine politics since Peron's ouster in 1955. The victory of the Peronists in elections held during the Frondizi regime caused the army to throw Frondizi out of office in March 1962, and the possibility of a Peronist victory in the 1967 congressional elections has touched off a new wave of coup rumors.

The Peronists virtually control the nation's labor movement, have a strong bloc in the legis-

lature, and are organized in several political parties. In each of these areas of activity they are split into two major factions: those who still take their orders from Peron in Madrid (or from his designated spokesmen, including his energetic third wife, Isabelita, who is now in Argentina), and those who call themselves neo-Peronists and prefer to direct the movement from within the country and circumvent the rule of the aging ex-dictator. Neither faction has a distinctive philosophy, and both profess devotion to concepts made famous during Peron's ten-year reign, such as "justicialism" and "third position." Basically, both factions are labor oriented.

In retaliation against the decree putting the Law of Professional Associations into effect, the Peronists in Congress have been trying to block passage of the government budget bill. They are divided on tactics, however, and it appears that the government will muster sufficient votes to pass the measure. The budget issue could lead to further disunity among the Peronists.

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